

AG Contract No. KR96 2774TRN
ADOT ECS File: JPA 96-180
Project: G1050 59C
Section: Apache Road ESP Improvements

INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
THE TOWN OF BUCKEYE

THIS AGREEMENT is entered into 3 MARCH, 1997,
pursuant to Arizona Revised Statutes, Sections 11-951 through 11-954, as amended,
between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF
TRANSPORTATION (the "State") and the TOWN OF BUCKEYE, acting by and through
its MAYOR and TOWN COUNCIL (the "Town").

I. RECITALS

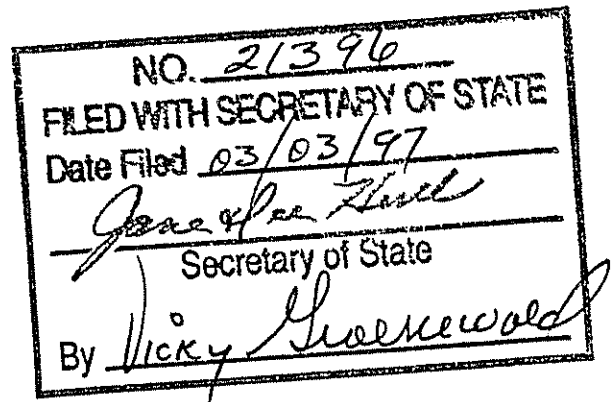
1. The State is empowered by Arizona Revised Statutes Section 28-108 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the State.

2. The Town is empowered by Arizona Revised Statutes Section 41-1513 and 28-1895 et seq to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has authorized the undersigned to execute this agreement on behalf of the Town.

3. The Town has requested Economic Strength Project (ESP) funds in the amount of \$96,255.00; the Commerce and Economic Development Commission have recommended the approval of such funds for the Town, and the Transportation Board has approved the funding, for the construction of roadway improvements to Apache Road, to provide improved access, and aid in the retention and development of local business, hereinafter referred to as the Project.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

=====



II. SCOPE

1. The Town will:

a. Insure the additional commitment of 31.86% of the total estimated Project cost, or \$45,000.00, whichever is more, from the Town or other sources (not including ESP funds) to the Project. Accomplish construction of the Project by public bidding, in strict compliance with State procurement laws, rules and regulations. Upon completion, approve and accept the Project on behalf of the Town and provide maintenance.

b. No more often than monthly, invoice the State, in the form of Exhibit B hereto, for ESP funds (Arizona Department of Commerce, ATTN: Strategic Finance Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012), in an amount not to exceed \$96,255.00.

c. Provide the State a copy of the executed Project contract(s), and draw down and expend the State ESP funds no later than six (6) months after the effective date of this agreement. Provide the State detailed written reports of all ESP fund expenditures, supported by invoices, receipts or other suitable and appropriate documentation, and a final accounting report no later than thirty (30) days after ESP funds are fully expended.

d. Reimburse the State any funds received from the State under this agreement which are not specifically and directly expended in compliance with the ESP grant application, which is attached hereto and made a part hereof, and are subsequently disallowed by the State.

e. Provide the State (Arizona Department of Commerce, ATTN: Strategic Finance Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012) with quarterly Project status reports, and one year after completion of the Project, a written Economic Impact Report detailing the direct and indirect impact of the Project, to include jobs created, jobs retained and related data.

2. The State will:

Within thirty (30) days after receipt and approval of the ESP contract(s) and subsequent monthly progress payment invoices, reimburse the Town for work completed on the Project funds in an amount not to exceed \$96,255.00.

III. MISCELLANEOUS PROVISIONS

1. The only interest of the Department of Transportation in the Project is to convey economic strength pass through funds for the use and benefit of the Town by reason of state law under which funds for the Project are authorized to be expended.

2. The Town agrees to indemnify and save harmless the State, or any of its departments, agencies, officers or employees, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or non-performance by the State of any of the provisions of this agreement.

3. The total amount of ESP funds expended under this agreement shall not exceed 68.14% of the total Project cost. Should the Project not be completed, be partially completed, or be completed at a lower cost than the advanced amount, or for any other reason should any of these ESP funds not be expended, a proportionate amount of the funds provided under this agreement shall be reimbursed to the State.

4. This agreement shall remain in force and effect until completion of said Project, reimbursement and subsequent reports; provided, however, that this agreement, except any provisions herein for maintenance, which shall be perpetual, may be cancelled at any time prior to the award of a construction contract, upon thirty (30) days written notice to the other party. Further, this agreement may be terminated and the ESP grant cancelled by the State if the Town, in the opinion of and by action of the Transportation Board, fails to pursue due diligence on the Project or in the performance of any of the terms of this agreement.

5. This agreement shall become effective upon filing with the Secretary of State.

6. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards conflicts of interest on behalf of State employees.

7. The provisions of Arizona Revised Statutes Section 35-214 pertaining to 5 year records retention by the Town and audit by the State are applicable to this contract.

8. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518.

9. All notices or demands upon any party to this agreement, except as otherwise specified herein, shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 South 17 Avenue, Mail Drop 616E
Phoenix, AZ 85007

Town of Buckeye
Town Manager
100 N. Apache, Suite A
Buckeye, AZ 85326


10. Attached hereto and incorporated herein is the written determination of each party's legal counsel that the parties are authorized under the laws of this state to enter into this agreement and that the agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

TOWN OF BUCKEYE

STATE OF ARIZONA

Department of Transportation

By 
JAMES "MIKE" BAKER
Mayor

By 
JAY KLAGGE, Director
Transportation Planning

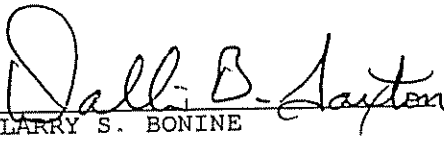
ATTEST:

By 
DELBERT SELF
Town Clerk

RESOLUTION

BE IT RESOLVED on this 10th day of December 1996, that I, the undersigned LARRY S. BONINE, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Intermodal Transportation Division, to enter into an agreement with the Town of Buckeye for the purpose of defining responsibilities for the pass through of state Economic Strength funds for improvements to Apache Road in the Town.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted to the Transportation Planning Director for approval and execution.


for LARRY S. BONINE
Director

TOWN OF BUCKEYE

COUNCIL MINUTES

REGULAR MINUTES

JANUARY 21, 1997

Call to Order/Pledge of Allegiance

The meeting was called to order at 7:00 p.m. by Mayor Baker who led the pledge of allegiance.

Roll Call

Councilmembers Present: Mike Baker, John Hawley, Bill Raney, Alan Newberry and Tim Grandy

Councilmembers Absent: Ben Travis and Joe Amabisca

Staff Present: Delbert Self, David Ledyard, Linda Garrison and Richard Bagley

Approval of Minutes

Moved by Councilman Newberry, seconded by Councilman Grandy to approve the minutes of the January 7, 1997 regular meeting as presented. The motion passed unanimously.

Comments from the Public - None.

Unfinished Business

Ordinance 1-97 (Myron Newton Annexation Petition)

Mayor Baker declared a conflict of interest and stated he would be abstaining from any discussion and voting. Vice Mayor Hawley indicated that this would be the second reading of Ordinance 1-97 and asked for any public input. There was no response from the audience. Moved by Councilman Raney, seconded by Vice Mayor Hawley to adopt Ordinance 1-97 increasing the corporate limits of the Town of Buckeye on second reading and by title only. The motion passed with Mayor Baker abstaining.

New Business

GPEC Presentation

Dan Dever representing GPEC made a presentation to the Council on their program.

Council Minutes
January 21, 1997
page 3

Resignation Of Betty Wolf (Library Board)

The Town Manager reported that the Library Board recommended the appointment of Patrick Layden to replace Betty Wolf. Mr. Layden was in the audience and spoke briefly to the Council. Moved by Councilman Grandy, seconded by Councilman Raney to accept the resignation of Betty Wolf from the Library Board and appoint Patrick Layden to fill the vacant seat on the Board. The motion passed unanimously.

Resignation of Doris Russell (Development Board)

The Town Manager stated that Mr. Bryant has been filling in on the Board as an alternate and recommended appointment to the Board as a regular member. Moved by Councilman Newberry, seconded by Vice Mayor Hawley to accept the resignation of Doris Russell from the Development Board and appoint Bob Bryant to fill the vacant seat on the Board. The motion passed unanimously.

Special Events Liquor License (Rotary Club)

Moved by Councilman Newberry, seconded by Councilman Grandy to approve the special events liquor license from the Buckeye Rotary Club for the upcoming Rodeo and Dance to be held February 1 and 2 at the Rodeo grounds. The motion passed unanimously.

Reports by Officers - None.

Bills Payable

Moved by Councilman Newberry, seconded by Vice Mayor Hawley to approve the bills as presented for payment through January 16, 1997. The motion passed unanimously.

Comments from the Council

Councilman Raney reported that the Elementary School will be seeking a \$3.2 million bond issue. He also reported attending the luncheon on Sunday, January 19th presented by the Global Academy.

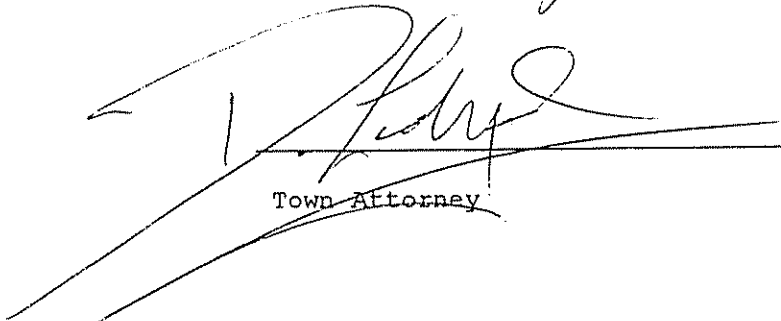
Mayor Baker reported that he had attend the luncheon presented by the Global Academy, the ground breaking for the new prison and the ground breaking for the new swimming pool. He also reported on the bicycle race on Saturday, January 25th.

JPA 96-180

APPROVAL OF THE BUCKEYE TOWN ATTORNEY

I have reviewed the above referenced proposed intergovernmental agreement, between the DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION and the TOWN OF BUCKEYE and declare this agreement to be in proper form and within the powers and authority granted to the Town under the laws of the State of Arizona.

DATED this 21st day of January, 1997.



Town Attorney

ECONOMIC STRENGTH PROJECTS
REQUEST FOR PROPOSAL
FY 1997 - ROUND 1
September 13, 1996

APPLICATION FORM

NOTE: Additional Information may be provided in attachments. Be sure to clearly reference and mark such additions and attachments.

1. NAME AND ADDRESS OF APPLICANT:

Town of Buckeye
100 North Apache, Suite A
Buckeye, Arizona 85326

2. TYPE OF ORGANIZATION OF APPLICANT: (Check one)

- a) ☒ Local Government only
- b) ☐ Private Non Profit / Local Government Joint Application:
- Name of Non Profit Agency Involved _____
- Name of Local Government Involved _____

3. Describe the function or purpose of applicant organization.

The Town of Buckeye is a municipality which provides local governmental services.

4. Name, address, and phone number of contact person:

Richard Bagley, Planning Director
Town of Buckeye
100 North Apache, Suite A
Buckeye, Arizona 85326
(602) 386-4691

5. Describe the private sector project or activity for which the related ESP funding is requested.

Schult Homes Corporation has proposed an expansion of their manufacturing facility which will consist of 141,320 sq. ft. of new buildings on a recently purchased 23 acre adjoining tract of land. The expansion will double their total output of product (manufactured homes) and almost double the number of people employed at the site. Roadway improvements are needed to their main access (Apache Road) in order to accommodate the expansion.

6. Describe the Economic Strength Project for which funding is requested. Describe how the ESP project supports/relates to the private sector project described in #5 above.

The ESP funds are being requested to assist in the improvements needed to Apache Road. Apache Road is the only access to the Schult Homes plant site and is at this time a two-lane roadway in poor condition. There are no turn lanes or shoulders, making entering the highway with trucks difficult. Widening Apache Road will accommodate the expansion of Schult Homes and encourage their further investment in Buckeye.

7. Describe how the private sector project fits into the community's overall economic development efforts.

Schult Homes has been a part of Buckeye for over 20 years and this is their first major expansion. As determined by the recently adopted Buckeye Strategic Economic Development Plan, business retention and expansion is of major importance. Expanding the manufacturing job base is also a

primary focus of Buckeye's economic strategy in order to balance the amount of jobs depending on agriculture. Thus, the expansion will help further diversify the job base in Buckeye as well as assist in retaining a major business in Buckeye.

8. Describe how the supporting ESP project fits into the Community's overall economic development efforts.

The Town of Buckeye is actively seeking new jobs in several areas of industry (clusters). The Schult expansion is both an expansion of the existing job base and also a retention of a business which could possibly move elsewhere, if its needs are not met at this location. Schult Homes is a national company, with plants in many states. A move elsewhere would not only hurt Buckeye but also the state as a whole. Making an effort to solve an access problem (Apache Road) will encourage them to complete the expansion and consider this location for future expansions. The Town of Buckeye has very few resources for infrastructure improvement of this magnitude. Most funds come from CDBG funding or other grants. However, the Town has recognized as part of the strategic plan, that the infrastructure is a critical part of the economic development effort. A recently adopted Capital Improvement Program has identified weaknesses in the infrastructure system and also ways to address them.

9. How will on-going maintenance and repair be provided for the ESP project after construction / improvement?

The Town of Buckeye, as part of its annual maintenance program, will be responsible for maintenance of Apache Road. At present, Apache Road is a County Highway. However, prior to improvements being made, an agreement will be entered into with Maricopa County to take over maintenance of the road, based on the County funding portion of the road improvements.

10. Description of ESP project. (Check one)

- a) ☒ This is an existing roadway.
b) ☐ This is a new roadway.
c) ☐ This is a bridge.
d) ☐ This is an underpass.
e) ☐ Other _____

11. Where is the private sector project located that is supported by this ESP project?

Schult Homes Corporation is located at 201 North Apache Road, adjacent to the ESP project.

12. Where is the ESP project located?

- a. In the community:

The Town of Buckeye.

- b. In relation to the related private sector project:

Apache Road forms the west boundary line of the Schult plant location.

13. What is the length (in feet/miles) of the ESP project? 1832 ft.

14. What is the width (in feet) of the ESP project? 36 ft.

In the jobs section below (Q15 - Q17), applicants must provide employment- and wage-related information for the private sector employers (existing or new) which the ESP fund is supporting. If these projects do not generate certain categories of jobs (job creation, job retention or seasonal jobs), those sections should be left blank.

15. JOB CREATION

a. Construction Phase

Does your project create any public or private construction jobs?

No, except short term employment for construction crew persons.

If yes, complete the following; otherwise go to Q15 b.

(1) Number of construction jobs directly created by private sector _____

Number of days or months the construction jobs would last	_____
Average hourly wages	\$_____
(2) Number of construction jobs directly created by public sector	_____
Average number of days or months the construction jobs would last	_____
Average hourly wages	\$_____

Note: List and provide the above information for each employer included in or supported by your ESP application.

b. Operation Phase

(1) Number of full-time permanent direct jobs created	190
Average hourly wages	\$9.00
(2) Number of part-time permanent direct jobs created	-0-
Average number of hours per week	
Average hourly wages	N/A

Note: List and provide the above information for each employer included in or supported by your ESP application.

16. JOB RETENTION

a. Number of permanent full-time direct jobs retained	244
Average hourly wages	\$9.00
b. Number of permanent part-time direct jobs retained	-0-
Average number of hours per week	
Average hourly wages	N/A
c. How would the lack of the ESP project cause, or contribute to, the loss of these directly effected jobs?	

If the project is not funded, and the expansion canceled, Schult Homes may have to seek a site elsewhere, thus effecting the loss of all existing as well as proposed jobs.

Note: List and provide the above information for each employer included in or supported by your ESP application.

17. SEASONAL JOBS

If seasonal jobs are a significant part of the operation of private businesses for which you have applied for ESP, complete the following. Otherwise, go to question 18.

a. Number of seasonal jobs created	_____
Average number of days per year	_____
Average hourly wages	\$_____
b. Number of seasonal jobs retained	_____
Average number of days per year	_____
Average hourly wages	\$_____
c. Further Clarifications	
(1). Are the seasonal jobs created or retained for one year, or would they be occurring on an on-going basis year after year?	

Note: List and provide the above information for each employer included in or supported by your ESP application.

18. Capital Investment.

a) What kind of new, additional capital investment will be made by the private sector business or industry assisted by this ESP project? (Building, equipment, etc. at this site).

Construction of buildings, site improvements, purchase of equipment and utility improvements.

b) What is the purpose and dollar value of the new, additional capital investment that will be made by the private sector business or industry assisted by this ESP project?

Construction of a new plant for the manufacturing of modular homes

\$973,400.00 for Site Improvements
 \$4,217,800.00 for Building Construction
 \$745,800.00 for Equipment
 \$5,937,000.00 Total

19. Cost/Benefit Calculation - What is the likelihood that benefit resulting from the project will exceed the costs of the project? Show detail of cost/benefit analysis used to determine the net benefits of this project.

The benefit of the project will most assuredly exceed the cost of the project. Private capital investment will be \$5,937,000.00. The annual payroll of the new plant expansion will be \$3,488,400.00. The existing plant will also benefit from the ESP project and its payroll is \$4,479,840.00. The cost of the ESP project is only 1.7% of the annual payroll and 2.3% of the initial construction cost.

20. What community(ies) will benefit from this project? How will each listed community benefit?

The Town of Buckeye and its citizens will benefit from this project by the retention and expansion of the jobs created.

21. List the names of local economic development organizations, and a contact person for each, which are involved with this private sector project. Include documentation (letters, etc.) showing the involvement and level of support of each organization.

Buckeye Valley Chamber of Commerce, Nancy Blaylock, Director, 386-2727
 Buckeye Mainstreet (BRAVO), Annette Napolitano, Director, 386-2466

22. What is the total cost of the entire project? \$5,937,000.00
23. What is the total cost of the ESP portion of the project? \$141,255.00
24. Complete and attach the Budget Detail Schedule (Attachment A).
25. Complete and attach the Sources and Uses Schedule (Attachment B).
26. Of the total ESP project cost listed in #23 above, how much financial assistance are you requesting from the Economic Strength Projects Fund? \$96,255.00
27. List the sources and amounts of matching funds (both private and public) that will be a part of the total direct ESP project cost.

a) Public Funds:

(1)	Name of public entity contributing the match.	Amount
	<u>Maricopa County</u>	<u>\$25,000.00</u>
	<u></u>	<u>\$</u>
	<u></u>	<u></u>
	Total	<u>\$25,000.00</u>

(2)	Cash match contributed to the project - Source (general fund, grants, HURF, etc.)	Amount
	<u>none</u>	<u>\$</u>
	<u></u>	<u>\$</u>
	<u></u>	<u>\$</u>
	Total	<u>\$</u>

- (3) In-kind match contributed to the project.
 - Type of match (force account labor,

Amount

Total

Amount

Total

a) What indirect local public utility or other infrastructure expenditures will need to be made in connection with (1) the private sector project, and (2) the ESP project? For example, expansion of water or waste water treatment facilities due to demands of the new business which the ESP project is assisting; extension of utility lines, major drainage improvements, etc.).

COST
N/A

ACTIVITY	START DATE	END DATE
Construction design	December 1, 1996	January 1, 1997
Roadway Construction	February 1, 1997	March 15, 1997
Private project construction	October 1, 1996	May 1, 1997

(b) The ESP project? 60 days

How long will the ESP project take to complete from start to finish? Four months (120 days)

34. Is project located in disadvantaged area of state? yes
rural area of state? yes

NO _____ YES X

Amount: \$67,880.00

GRANT #2: JPA 92-78

Date Received: September 14, 1992

Amount: \$100,000.00

Jobs Retained: 283 (WalMart Distribution Center) plus unverifiable number of trucking and related jobs.

36. Certification:

I certify that this project is compatible with other transportation facilities and conforms to all applicable construction and engineering standards.

NAME: Delbert Self DATE: September 13, 1996

TITLE: Town Manager

SIGNATURE: _____

A handwritten signature in cursive script, appearing to read "Delbert Self", is written over a horizontal line.

NAME OF CONTACT PERSON Richard Bagley

TELEPHONE NUMBER (602) 386-4691

ATTACHMENT A

ECONOMIC STRENGTH PROJECTS - BUDGET DETAIL SCHEDULE

Note: No contingency costs are to be included in the total project costs.

ACTIVITY	LABOR OR UNIT PRICE	MATERIALS OR NUMBER OF UNITS	TOTAL CONSTRUCTION COSTS	ARCHITECTURAL/ENGINEERING COSTS	TOTAL ACTIVITY COSTS	PROJECTED ANNUAL OPERATIONS & MAINTENANCE COSTS
Subgrade Preparation	\$1.50	1,830 SY	\$2,745	\$410	\$3,155	
Concrete Curb and Gutter	\$8.00	3,670 LF	29,360	4,400	33,760	
8 inches ABC	\$30.00	400 CY	12,000	1,800	13,800	
2 inches AC Pavement	\$50.00	200 Ton	10,000	1,600	11,600	
Tack Coat	\$1.00	6,700 SY	6,700	866	6,566	
2" AC Pavement Overlay	\$60.00	770 Ton	38,500	5,776	44,276	
Striping	\$0.40	7,320 LF	2,930	440	3,370	
Signage	\$160.00	4 EA	600	90	690	
Driveway Entrances	\$8,000	LS	6,000	900	6,900	
Traffic Control	\$3,000	LS	3,000	450	3,450	
Mobilization / Demobilization	\$5,000	LS	6,000	750	6,750	
Material Testing	\$3,000	LS	3,000	450	3,450	
Staking	\$4,000	LS	4,000	600	4,600	
Totals			\$122,836	\$18,420	\$141,256	\$1,500 per year

Mark C. Smith, PE

Signature of Registered Professional

ATTACHMENT B

SOURCES AND USES STATEMENT

I. USES:

A. Private Sector Related

1.	Acquisition of Existing Building with land	\$N/A
2.	Site Acquisition (vacant land)	\$339,000.00
3.	New building construction	\$4,217,800.00
4.	Remodeling	\$N/A
5.	Machinery and Equipment	\$745,800.00
6.	Site preparation	\$634,400.00
7.	Other _____	\$
	Sub Total	\$5,937,000.00

B. Public Sector Related

1.	Total ESP project improvements (Grand Total of Total Activity Costs in Attachment A and Item 23 in the Application)	\$ 141,255.00
2.	Local public sector improvements (Infrastructure improvements directly related to the project and located on or contiguous to the project site. Do not include ESP related costs here)	
	_____	\$ _____
	_____	\$ _____
3.	Other _____	\$ _____

C. Total Uses **\$6,078,255.00***

II. SOURCES:

A.	Private sector project investment ((Item 18 b) Total))	\$5,937,000.00
B.	Local public sector (direct project related)	\$-0-
C.	Economic Strength Projects Fund (State funds) (Item 26)	\$96,255.00
D.	ESP match	
	(2) From the public sector ((Items 27 a)(1)(2) &(3))	\$35,000.00
	(1) From the private sector ((Item 27 b))	\$10,000.00
E.	Other _____	\$ _____
F.	Total Sources	\$6,078,255.00*

* Total Uses (I.C.) must equal Total Sources (II.F.)

	: Progress _____	: Final _____	: Payment Report	:
Report No.	: FA	: Non FA	: Fund Code Account Code	: Contract No.
Project Number:				
Tracs Number:	Month Ending _____			
Name of Project:				
Name of Consultant:				
Date Started	: Date Accepted	:	% Billed	: % Complete
	: Estimated Completion Date	:		
SUMMARY OF WORK FOR WHICH PAYMENT IS REQUESTED				
Item	Description	Total Contract Amount	Previous Accumulative Amount	Current Month Accumulative Amount
Submitted by _____	Date _____	Total To Date	\$	
Approved _____ AUOT Project Monitor	Date _____	Total Previous Report		
Approved _____ Joint Project Administrator	Date _____	Current Report	\$	



STATE OF ARIZONA

OFFICE OF THE ATTORNEY GENERAL

1275 WEST WASHINGTON, PHOENIX 85007-2926

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GRANT WOODS
ATTORNEY GENERAL

INTERGOVERNMENTAL AGREEMENT
DETERMINATION

A.G. Contract No. KR96-2774TRN, an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining parties, other than the State or its agencies, to enter into said agreement.

DATED February 25, 1997.

GRANT WOODS
Attorney General

A handwritten signature in black ink, appearing to read "James R. Redpath", is written over a horizontal line.

JAMES R. REDPATH
Assistant Attorney General
Transportation Section

JRR:cl/3859